

TOWN OF LINCOLN



AFFORDABLE HOUSING PRODUCTION PLAN

A Plan to Serve Lincoln's Housing Needs

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INTRODUCTION

GROWING NEED FOR AFFORDABLE HOUSING IN LINCOLN

Rhode Island is in the midst of a housing crisis. Statewide, personal income increased 25% between 1998 and 2003, while the median sales price of a single-family home increased 87.6%.¹ Lincoln is acutely experiencing this statewide housing crisis. Rapidly escalating housing prices are making affordable homeownership and rental housing increasingly difficult to find for many Lincoln residents. In the first half of 2004, the median sales price for a single-family home in Lincoln was \$326,700. This represents a 52.6% increase since 2000. At this price, these homes are affordable to families earning a minimum of \$103,200 per year. Approximately 24% of Lincoln's households could afford a house at this price. The average rent for a 2-bedroom apartment in 2003 was \$972, which is beyond the reach of the average renter. Thirty-one percent of Lincoln renters spend more than 30% of their income on housing. Lincoln's low-income residents have the greatest difficulty finding housing they can afford.

Due to rising housing costs, children who grew up in Lincoln cannot afford to live there as adults. Young families are essentially shut out of the housing market. Elderly residents who have lived and worked in Lincoln for decades are finding few affordable living opportunities. The Lincoln Housing Authority has a 2-5 year waiting list for its 246 elderly housing units. Employees working in Lincoln cannot afford to live in Lincoln.

PURPOSE OF THE AFFORDABLE HOUSING PLAN

In an effort to address the Town's affordable housing needs, the Lincoln Town Council commissioned this Affordable Housing Plan. The Town formed an Affordable Housing Advisory Committee to guide the development of this plan. The Affordable Housing Plan builds upon and supplements the Housing Element of the Town's Comprehensive Plan. The purpose of the plan is to establish clear guidelines as to the amount, type and location of affordable housing development to meet the 10% low-moderate income housing goal stipulated by the State's Low and Moderate Income Housing Act. The plan identifies strategies and recommendations to ensure that the Town's diverse housing needs are met.

¹ *The Economic Impact of the Housing Crisis on Business in Rhode Island*, Fleet Bank, RIPEC, and Ninigret Partners, Inc., 2004, p. 2.

OUTLINE OF THE AFFORDABLE HOUSING STUDY

The first half of this document sets the stage for the type, amount and location of affordable housing development recommended by the plan. It begins with a discussion of the Town's housing trends and inventory. Given this context, there is an analysis of the Town's housing needs. A model/schedule of how the Town can meet its affordable housing needs is presented, detailing the type and number of units needed. Next is an analysis of obstacles and barriers that are preventing the Town from achieving its housing goals, followed by a discussion of affordable housing resources available to the Town.

The second half of this document presents a plan for achieving the Town's affordable housing goals and objectives. Affordable Housing Strategies have been developed that set the overall context of the plan. Recommendations are presented to achieve each of the Affordable Housing Strategies. The plan concludes with an Action Table that serves as an implementation tool.

HOUSING TRENDS AND INVENTORY

HOUSING STOCK

Housing production has kept pace with population growth in Lincoln. As of 2000, Lincoln had 8,508 housing units, a 16.9% increase since 1990. The Town issues approximately 100 building permits per year, the vast majority of which are for single-family dwellings. Population increased 15.8% between 1990 and 2000, while the number of households increased 17.1%. New households are spinning off existing households, and the average household size is getting smaller. Twenty-nine percent (29%) of households are headed by a person age 65 or older, indicating the relative demand for elderly housing. (See Appendix, Table A-1)

At the time of the 2000 Census, 265 units (3.1%) were vacant. This indicates a tight housing market, compared to the national average of 9.0% vacancy. The Census defines vacant units as housing units in which no one is living on Census Day. Units for sale/rent, newly constructed units not yet occupied and seasonal/recreation units are all counted vacant, as well as abandoned buildings. A windshield survey of Lincoln indicates very few vacant units, as well as few units for sale/rent.

Of the 8,243 occupied housing units, 5,453 (66.2%) were owner-occupied and 2,790 (33.8%) were renter-occupied. Lincoln has a relatively large rental housing stock compared to other suburban communities in the area. Rental housing is an asset because it is generally more affordable to low-income families than for-sale housing.

Table 1: Housing Stock

	Lincoln			Providence County			State		
	1990	2000	%	1990	2000	%	1990	2000	%
Total Housing Units	7281	8508	16.9	243224	253214	4.1%	414572	439837	6.1%
Vacant Units		265	3.1		13278	5.2%		31413	7.1%
Occupied Units		8243	96.9		239936	94.8%		408424	92.9%
Renter-Occupied Units		2790	33.8		112405	46.8%		163274	40.0%
Owner-Occupied Units		5453	66.2		127531	53.2%		245150	60.0%

Source: U.S. Census Bureau, 1990 Census, 2000 Census

The majority of housing units in Lincoln are in single unit detached structures (i.e. a typical single-family home). However, there are a number of 2, 3 and 4 unit structures. This coincides with the relatively large rental housing stock in Lincoln. Rental housing in Lincoln tends to be in smaller buildings, especially duplexes and triplexes in the villages, rather than in large apartment buildings.

Table 2: Units in Structure

	Lincoln	
Units in Structure	Number of Units	%
Single Family Home (detached)	4,772	56.1
Single Family Home (Condo's)	155	1.8
2-4	1,955	23.0
5-9	689	8.1
10+	885	10.4
Mobile home	52	0.6
Total	8508	100.0

Lincoln's housing stock is slightly younger than the overall State stock. Between 1990 and 2000, 1,114 units were constructed, and an additional 303 building permits have been issued since the 2000 Census. Visually, it appears much of Lincoln's housing stock is in good condition. There are few abandoned or dilapidated buildings, and areas in need, such as Manville and Lonsdale, have been targeted by the Town for revitalization.

Lead-Based Paint Issues

Any structure built prior to 1978, when the use of lead-based paint in residential units was made illegal, is highly likely to contain some lead paint in or on the property. Lead paint is the number one environmental hazard in the State for children under the age of six, and extensive exposure can result in neurological damage. According to the 2000-2005 State Consolidated Plan, an estimated 64.9% of all occupied units in Lincoln contain lead-based paint. In 1998, 6% of Lincoln children had elevated levels of lead in their blood. Any rehabilitation project involving pre-1978 buildings must incorporate considerations relating to lead-based paint abatement.

The State of Rhode Island has mandated that all multi-family rental housing be lead abated by July 1, 2005. This has placed a heavy burden on many rental property owners who cannot afford to pay the high costs associated with lead abatement. There are programs administered on the city, state, and federal level which provide low cost loans and grants to property owners for lead abatement. These programs include the Rhode Island Housing Lead Hazard Reduction Program which provides low cost loans to property owners for lead abatement projects.

Table 3: Age of Housing

Lincoln		
Year Built	Number	%
Built 1990 to March 2000	1,114	13.1
Built 1980 to 1989	769	9.0
Built 1970 to 1979	1,381	16.2
Built 1960 to 1969	952	11.2
Built 1950 to 1959	1,095	12.9
Built 1940 to 1949	603	7.1
Built 1939 or earlier	2,594	30.5
Total	8,508	100.0
<i>Source: U.S. Census Bureau, Census 2000</i>		

COST OF HOUSING

Housing costs have been escalating rapidly in Lincoln and throughout Rhode Island. From 2002 to 2003, Rhode Island had the fastest appreciating home prices in the country.² The cost of housing in Lincoln is beyond what low and moderate income households can afford to spend. In the first half of 2004, Lincoln was the 11th most expensive community in Rhode Island in terms of homeownership prices, and the 2nd most expensive community in northern Rhode Island. The median sales price of a single-family home in Lincoln in the first half of 2004 was \$326,700. Adjusted for inflation, this represents a 52.6% increase since 2000 and a 93.8% increase since 1997, or an average increase of approximately 12% per year. By comparison, median household income increased 28.9% between 1990 and 2000, or an average of approximately 13.4% per year. Thus, increases in for-sale housing prices have far outstripped increases in income, making it more difficult for people to afford a home in Lincoln.

On the rental side, according to a 2003 Rhode Island Housing survey, the average rent for a two-bedroom apartment in Lincoln was \$972, which is nearly equal to the state average. Rents for larger apartments (3 and 4 bedrooms) are slightly lower in Lincoln compared to other towns. Average rents in Lincoln have increased 10.5% since 2001, or 5% annually. As with for-sale housing, increases in average rent have outpaced increases in median income, making it more difficult to afford rental housing. Table 4 on the following page presents Housing Cost data for Lincoln and the State.

² Office of Federal Housing Enterprise Oversight's *Housing Price Index Report*, March 1, 2004.

Table 4: Housing Costs

Median Sales Price, Single Family Homes				
	Lincoln		State	
	Median Price	% Change	Median Price	% Change
1997	\$150,000		\$118,000	
1998	\$162,000	8.0%	\$122,600	3.9%
1999	\$175,000	8.0%	\$126,000	2.8%
2000	\$200,000	14.3%	\$135,976	7.9%
2001	\$234,750	17.4%	\$156,000	14.7%
2002	\$261,000	11.2%	\$188,150	20.6%
2003	\$296,700	13.7%	\$230,000	22.2%
Change 1997-2003*		72.5%		70.0%
Change 2000-2003*		38.9%		58.3%
Average Cost of Rental Housing				
	Lincoln		State**	
	2BR	3BR	2BR	3BR
1996	\$540	\$670	\$590	\$676
1998	\$605	N/A	\$613	\$732
2001	\$859	\$871	\$775	\$875
2002	\$843	\$863	\$863	\$1,017
2003***	\$912	\$1,091	\$972	\$1,122
% Change 1996-2003*	44.0%	38.9%	40.5%	41.5%
% Change 2001-2003*	2.2%	20.6%	20.7%	23.4%
Sources: Multiple Listing Service, Rhode Island Housing Rent Surveys.				
* Inflation adjusted to constant 2003 dollars				
** State Average rent is an unweighted average, meaning each city/town is counted equally				
*** 2003 rents have been adjusted to account for differences in utilities included in rent over time				

LOW-MODERATE INCOME HOUSING STOCK

Under the regulations of the State's Low and Moderate Income Housing Act, any housing subsidized by federal, state, or municipal governments through any program which assists in the construction or rehabilitation of low and moderate income housing contributes to the communities' 10% goal. According to Rhode Island Housing's most recent chart (July 2004), 557 units (6.57%) of housing in Lincoln are considered low or moderate income. An additional 27 units are currently being developed in Lonsdale and will be placed in service in 2005. As of 2004, Lincoln needs an additional 290 low-moderate income units to reach the 10% goal. However, this number will increase over time, as building permits are issued and new market-rate housing is constructed. Table 5 presents a list of all Lincoln housing units that count toward the 10% goal.

Table 5: Low and Moderate Income Units

Name	Address	# Units	Tenure	Occupancy	Funding Source
Manville Manor	155 Church Street	52	Rental	Elderly	PH
Lincoln Manor	10 Franklin Street	194	Rental	Elderly	PH
Woodland Terrace	Woodland Street	6	Rental	Family	PH
Eagle Apartments Phase I	19 Summer St	102	Rental	Family	RIH
Washington Hill Apartments	10 Wake Robin Rd	120	Rental	Elderly	RIH
Project Renew	91 Spring St	34	Rental	Family	LIHTC
Group Homes	Scattered	49	Rental	Special Needs	Various
Total Low-Mod Units		557			
	2000 Census Total Housing Units (minus seasonal units)	8,472			
	% Low-Mod	6.55%			
In Development					
Lonsdale Village	Scattered	27	Rental	Family	LIHTC
Revitalization					
Summary					
	# Units			% of Total	
Family	142			25%	
Elderly	366			66%	
Special Needs	49			9%	
TOTAL	557			100%	
Rental	557			100%	
Homeownership	0			0%	
TOTAL	557			100%	
<i>PH=Public Housing, RIH=Rhode Island Housing, LIHTC=Low Income Housing Tax Credits</i>					

CONCLUSION

Lincoln is home to a diversity of housing types and is a highly desirable place to live. Accordingly, housing prices are well above average compared to the rest of the State. Housing costs are rising more rapidly than income. Lincoln has a number of assets that provide housing affordability, including more than 500 low-moderate income housing units. However, the average cost of housing is beyond what low and moderate income families and individuals can afford.

ANALYSIS OF HOUSING NEEDS

There are several ways to measure housing needs, including by income, cost burden, and population. No one method is all encompassing, so several measures of need are presented in this section. Together they paint a detailed picture of those in need of housing assistance in Lincoln. Demographic data for Lincoln is also presented in this section to bring the analysis of housing needs into focus.

DEFINITION OF AFFORDABLE HOUSING

The generally accepted definition of housing affordability is that a household should spend no more than 30% of their income on housing costs, including rent or a mortgage payment and utilities. The U.S. Department of Housing and Urban Development uses this definition in all of its affordable housing programs. Anyone who spends more than 30% of their income on housing is considered to have a housing cost burden, regardless of their income.

Affordable housing programs target low-income households. According to HUD guidelines, low-income is defined as earning less than 80% of the Area Median Income (AMI). The low-income population is further divided into very-low-income (below 50% AMI) and extremely-low-income (below 30% AMI). Each year, the U.S. Department of Housing and Urban Development (HUD) calculates Area Median Incomes by family size for Metropolitan Statistical Areas (MSAs). Lincoln is part of the Providence, RI – Fall River, MA – Warwick, RI, MSA. The FY 2004 low-income cutoffs for Lincoln are as follows:

Table 6: HUD FY2004 Income Limits, Providence MSA

	Family Size (persons)				
	2	3	4	5	6
30% AFMI	\$16,300	\$18,350	\$20,350	\$22,000	\$23,650
50% AFMI	\$27,150	\$30,550	\$33,950	\$36,650	\$39,400
80% AFMI	\$43,450	\$48,900	\$54,300	\$58,650	\$63,000
<i>Source: HUD</i>					

As this chart shows, affordable housing can target households earning in the \$50,000-\$60,000 range. In any case, those living in affordable housing will spend no more than 30% of their income on housing costs.

INCOME ANALYSIS

The Census Bureau uses households as a basic unit of measurement. A household is defined as the person(s) occupying a housing unit that serves as their usual place of residence. Another unit of measurement is families. The Census defines families as a group of related people living together in the same housing unit. Single persons and unrelated persons living together are considered non-family households. The average household size in Lincoln is 2.51, while the average family size is 3.05. As Table 7 shows, the median household and family incomes in Lincoln are higher than the state medians. This indicates that Lincoln residents earning 80% of the Town's median income may not qualify for state and federal affordable housing programs, because their incomes could be higher than 80% of the MSA median.

Table 7: Income Data

	Lincoln			State		
	1990	2000	% ch	1990	2000	% ch
Median Household Income	\$37,082	\$47,815	28.9%	\$32,181	\$42,090	30.8%
Median Family Income	\$42,095	\$61,257	45.5%	\$39,172	\$52,781	34.7%
<i>Source: U.S. Census Bureau, Census 1990, 2000</i>						

Below are some hypothetical situations illustrating housing affordability:

- A 3 person household at Median Income (\$61,100) can afford a mortgage of \$1,528 per month, or a \$200,000 house
- A retired person earning \$900 per month in Social Security can afford to rent an apartment for \$270 a month
- A low-income family of 4 making 80% of the Area Median Income (\$54,300/yr) can afford a mortgage of \$1,358 per month, or a \$165,000 house
- A young couple with an annual income of \$30,000 can afford to rent an apartment for \$750 a month

As these examples show, given housing costs in Lincoln, many families and individuals are being priced out of the housing market.

AFFORDABILITY GAP AND COST BURDEN

The average household in Lincoln cannot afford to buy the average single-family home in Lincoln. This is known as the affordability gap: the difference between what a household can afford to pay, and what that household would have to pay to afford the average home.

In the first half of 2004, the median sales price of a single-family home in Lincoln was \$326,700. To afford a single-family home at median sales price, a household would have to earn \$103,200. The median homeowner household income in Lincoln is \$65,544. Approximately 36% of Lincoln homeowner households earn enough to afford a single-family home at median sales price.

There is an affordability gap for rental units as well. The average monthly rent and utilities for a 2-bedroom apartment in Lincoln is \$972. To afford the average 2-bedroom apartment requires an annual income of \$38,880. The median renter household income in Lincoln is \$27,714. Approximately 39% of Lincoln renter households can afford the average 2-bedroom apartment.

Table 8: Affordability Gap in Lincoln

\$326,700 Median Sales Price, Single Family Home*

\$103,200 Annual Income Needed to Afford

\$65,544 Median Homeowner Household Income

\$37,656 GAP

\$972 Average Monthly Rent with Utilities, 2 Bedroom Apartment

\$38,880 Annual Income Needed to Afford

\$27,714 Median Renter Household Income

\$11,166 GAP

* Income needed to afford assumes spending 30% of income on housing.

For homeownership, assumes 5% downpayment, includes taxes, insurance and PMI

*Sources: Multiple Listing Service, Rhode Island Housing Rent Survey
U.S. Census Bureau, Census 2000*

The affordability gap poses a dilemma for Lincoln residents: spend more than 30% of income on housing, or move someplace else in search of lower-cost housing. Many households have no choice but to spend more than 30% of income on housing, incurring a cost burden.

COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY (CHAS) DATA

The Department of Housing and Urban Development publishes detailed data on cost burdened households through its Comprehensive Housing Affordability Strategy (CHAS) data book. CHAS data counts the number of households experiencing housing problems in a community. Housing problems are defined as having a cost burden (spending more than 30% of income on housing), or living in substandard housing.³ According to 2000 CHAS data, 1,924 Lincoln households (23.5%) experienced housing problems. More than 98% of those experiencing housing problems in Lincoln face only cost burdens, meaning substandard housing is not a major problem.

The data is broken down by household type (family, elderly or other), tenure (renter or owner) and income level (by percent of Area Median Income). This allows for a rather detailed look at who is experiencing housing problems. The analysis here is restricted to Lincoln's low-income population, defined as those earning less than 80% of the Area Median Income.

³ Substandard conditions are defined as living in overcrowded quarters (more than 1.01 persons per room) and/or living in a housing unit without complete kitchen and/or plumbing facilities.

Table 9: Lincoln, Providence County and Rhode Island CHAS Data Summary

Total Households				8,214	Total Households				239,846	Total Households				408,381
Total Low Income Households				3,417	Total Low Income Households				130,829	Total Low Income Households				197,594
# with Housing Problems				1,455	# with Housing Problems				69,550	# with Housing Problems				105,183
% with Housing Problems				42.6%	% with Housing Problems				53.2%	% with Housing Problems				53.2%
Low Income Households with Housing Problems, by Population														
		% with problems	# with problems	% of Total			% with problems	# with problems	% of Total			% with problems	# with problems	% of Total
	Elderly	37.5%	629	43.2%		Elderly	46.7%	21,002	30.2%		Elderly	46.4%	33,154	31.5%
	Small Family	48.1%	449	30.9%		Small Family	55.9%	23,740	34.1%		Small Family	56.7%	35,339	33.6%
	Large Family	71.4%	135	9.3%		Large Family	69.7%	7,937	11.4%		Large Family	67.7%	10,443	9.9%
	Other	39.2%	242	16.6%		Other	52.8%	16,872	24.3%		Other	54.2%	26,247	25.0%
	Total		1,455	100.0%		Total		69,550	100.0%		Total		105,183	100.0%
Low Income Households with Housing Problems, by Tenure														
		% with problems	# with problems	% of Total			% with problems	# with problems	% of Total			% with problems	# with problems	% of Total
	Renters	42.7%	810	55.7%		Renters	51.8%	43,963	63.2%		Renters	51.5%	60,485	57.5%
	Owners	34.0%	645	44.3%		Owners	30.2%	25,602	36.8%		Owners	38.0%	44,661	42.5%
	Total		1,455	100.0%		Total		69,565	100.0%		Total		105,146	100.0%
Low Income Households with Housing Problems, by Income														
		% with problems	# with problems	% of Total			% with problems	# with problems	% of Total			% with problems	# with problems	% of Total
	< 30% AMI	64.5%	580	39.9%		< 30% AMI	70.9%	34,991	50.3%		< 30% AMI	70.6%	48,139	45.8%
	30-50% AMI	46.0%	443	30.4%		30-50% AMI	56.5%	19,190	27.6%		30-50% AMI	57.8%	30,011	28.5%
	50-80% AMI	27.8%	432	29.7%		50-80% AMI	32.4%	15,394	22.1%		50-80% AMI	34.9%	27,043	25.7%
	Total		1,455	100.0%		Total		69,574	100.0%		Total		105,193	100.0%
Low-income defined as earning less than 80% of Area Median Income														
Small Family = 2-4 persons, Large Family = 5+ persons														
Source: 2000 CHAS Data Book														

Analysis of CHAS data reveals the following:

- 1,455 of Lincoln's 3,415 low-income households (43%) experienced housing problems, whereas 53% of the county's and state's low income households experienced housing problems.
- Numerically, there are more low-income elderly households (629) with housing problems than low-income family households (580). However, in Lincoln, Providence County, and the state, in terms of percent experiencing problems, low-income families are more likely to experience housing problems, especially large families.
- In terms of percent, Lincoln's low-income renters and homeowners are equally likely to experience housing problems (43.5% vs. 42.3%). Because the low-income renter population is larger than the low-income homeowner population (See Table 9), there are numerically more low-income renters with housing problems.
- In Lincoln, Providence County, and the state as a whole, households with lower incomes (<30% AMI, 30-50% AMI) are more likely to experience housing problems.

POPULATIONS IN NEED OF AFFORDABLE HOUSING

Families

According to 2000 CHAS data, there are 584 low-income families with housing problems in Lincoln. As discussed above, there is an affordability gap between the median family income and the median sales price of a single-family home in Lincoln. Working-class families cannot afford to buy a home in Lincoln. It is especially difficult for young families to find starter housing in Lincoln. Houses that would historically have been considered starter housing are no longer selling for starter prices. There is also a need for more affordable family rental housing in Lincoln. With single-family home prices so high, rental housing is the only alternative for many families. Family rental housing must have enough bedrooms (3 or 4 bedrooms) to accommodate the needs of families.

Elderly

Lincoln's elderly population is growing, which places demands on the housing market. According to 2000 CHAS data, there are 629 low-income elderly households with housing problems in Lincoln. With limited incomes and specific housing needs, it can be a challenge to provide appropriate housing for the elderly. For many elderly homeowners, staying in their large homes is no longer an option, for financial, medical and/or maintenance reasons. These residents could downsize, but there are not enough appropriate units available. Additional market-rate elderly rental and for-sale (condominium) housing is needed.

Many elderly persons cannot afford market-rate housing. The Lincoln Housing Authority has a 2-5 year waiting list for its 246 units of subsidized elderly housing. Additional subsidized elderly housing is needed. Other residents require specialized care, either in their homes or at an assisted living facility. Both market-rate and subsidized specialized care facilities are needed. The Housing Element suggests looking into house sharing, accessory apartments, and home service programs.

Special Needs

Special needs housing incorporates a wide range of populations, including persons with physical or mental disabilities, battered women and their families, and people recovering addictions. Housing with supportive services models has been developed to meet the needs of these populations. Examples of supportive services include: specialized health care, physical/occupational therapy, counseling, job training, and childcare. Lincoln currently has eight group home facilities. Further research should be done to determine if there are populations in Lincoln with special needs that are not being met.

Homelessness

The Rhode Island Emergency Food and Shelter Board reports that in FY2003, twelve (12) homeless persons seeking shelter listed Lincoln as their last place of residence. This is consistent with historic trends. Statewide, homelessness is on the rise. In each of the past two years, shelters have set record highs in the number of people served and bed nights provided. Lack of affordable housing is a major cause of homelessness; 16% of Rhode Island shelter clients cite high housing costs as a reason for seeking shelter. Lincoln currently has no transitional housing facilities that serve at-risk homeless populations. However, the town is committed to partnering with other entities such as faith based organizations to address the at-risk homeless populations.

CONCLUSION

Regardless of how need is determined, the number of households in need of affordable housing in Lincoln is greater than the 10% goal set by the State. A wide range of Lincoln residents are in need of affordable housing, including working families, the elderly, single individuals, and those with special needs. Citizen input from public meetings suggests that the highest priorities should be affordable homeownership and rental housing for young families, and affordable rental housing for the elderly. CHAS data confirms this prioritization.

BARRIERS TO AFFORDABLE HOUSING DEVELOPMENT

There are many barriers, obstacles, and impediments to affordable housing development. These barriers exist in cities and towns across the country, not just in Lincoln. An understanding of these barriers is necessary if the Town hopes to encourage affordable housing development.

LAND USE REGULATIONS

Zoning

As a regulatory tool, zoning has extensive implications for the type, location, and density of development in a community. Zoning ordinances have a direct impact on affordable housing because they dictate where multi-family housing can be built and set minimum lot sizes, which affects the cost of land and the size of houses.

The Town of Lincoln's Zoning Ordinance establishes four (4) residential zoning districts: Residential Agricultural (RA-40), Residential Single-Family (RS-20 and RS-12), Residential Limited (RL-9), and Residential General (RG-7). Residential zoning accounts for 83% of the land area in Lincoln. Residential development is also allowed via special use permit in the Business Limited (BL) and Commercial Recreation 1 (CR1) zones. Residential development in the CR1 zone is constrained to RA-40 dimensional requirements. Table 10 describes features of Lincoln's residential zoning districts. The Town has recently received a grant to rewrite its zoning ordinance. The Lincoln Planning Department is committed to revising the zoning ordinance to incorporate the zoning changes recommended in Section 3 of this plan.

Table 10: Zoning Summary

Name	Acreage***	% of Total Residential Acreage	Minimum Lot Size	Uses	Approval Process	Description
Residential Agricultural	5,155.72	51.3%	40,000 s.f.	Single-family	P	Lowest density residential district in Lincoln, intended to preserve agricultural land
(RA-40)				Two-family	N	
				Multi-family	N	
Residential Single-Family	2,704.72	26.9%	20,000 s.f.	Single-family	P	Intended to provide single-family housing on half-acre lots
(RS-20)				Two-family	N	
				Multi-family	N	
Residential Single-Family	1,061.55	10.6%	12,000 s.f.	Single-family	P	Intended to provide single-family housing in more dense neighborhoods
(RS-12)				Two-family	N	
				Multi-family	N	
Residential Limited	718.79	7.1%	* 9,000 s.f.	Single-family	P	Intended for mix of single and two family homes, buffers dense village centers from single family neighborhoods
(RL-9)				Two-family	S	
				Multi-family	N	
Residential General	418.18	4.2%	** 7,000 s.f.	Single-family	P	Most dense residential district, found primarily in village centers, only zone where multi-family housing can be built
(RG-7)				Two-family	P	
				Multi-family	S	
P=Permitted use by right, S=Special Use Permit needed from Zoning Board, N=Not allowed						
* Minimum sq ft for two-family housing is 12,000 sq. ft.						
** Minimum sq. ft. for multi-family housing is 7,000 sq. ft. for the first unit plus 1,500 sq. ft. for each additional unit						
***Total acreage in each zoning classification within Lincoln						

The majority of residential land in Lincoln is zoned RA-40 and RS-20. More dense zoning, such as RG-7 and RL-9, is found in the village centers. Duplexes are allowed by right in the RG-7 zone and by special permit in the RL-9 zone, and are prohibited in all other residential zones. Multi-family housing is allowed by special permit in the RG-7 zone, and is prohibited elsewhere.

Flexible Zoning

Flexible development techniques, such as Planned Unit Developments (PUDs) are not available in Lincoln. The flexibility inherent in PUDs allows developers to make the best use of a particular parcel. It can reduce the amount of land per unit, thus lowering costs. Smaller lots generally yield smaller houses, so construction costs may be less as well. PUDs allow for a mix of housing types, including single-family homes, duplexes, townhouses and apartments, in the same development.

Although Lincoln does not allow PUDs, it does allow a limited form of cluster zoning called Rural Protection Zoning in its RA-40 and RS-20 zones. Rural Protection Zoning allows houses in a subdivision to be clustered closer together on smaller lots, in an effort to preserve open land, sensitive natural areas and rural community character. Allowed uses are limited to single-family homes, and the minimum lot size is reduced to 12,000 sq. ft. in a RA-40 zone and 8,000 sq. ft. in a RS-20 zone. Rural Protection Zoning can be an asset to affordable housing because the lots are smaller; therefore land costs may be less.

Accessory Family Dwelling Units

Lincoln's Zoning Ordinance allows Accessory Family Dwelling Units with some restrictions. Accessory units are restricted to family members of the principal householder. Accessory units cannot have a separate means of ingress/egress, and cannot have a kitchen. If an addition has a separate means of ingress/egress and/or a kitchen, it would be considered a separate dwelling unit, and would violate zoning restrictions on the number of units per lot.

Subdivision Regulations

Subdivision regulations set standards for the appearance of neighborhoods. These standards ensure visual consistency and add to property values. Lincoln's subdivision regulations require amenities such as underground utilities, minimum buildable lot area and granite curbing. Requirements like these add to the cost of developing housing. The Town should waive some of these requirements in appropriate locations for affordable housing developments.

COST OF HOUSING AND LAND

In this booming housing market the cost of housing is a major impediment to affordable housing development. Non-profit affordable housing developers are having a difficult time finding a building or lot they can afford. Potential homeowners at 80% of area median income can afford homes priced between \$120,000 and \$200,000, depending on family size. In 2003, the median sales price for a single-family home in Lincoln was \$296,700. There are very few homes on the market in the \$120,000-\$200,000 range. The average cost of a developable single-family lot in Lincoln is \$125,000. Multi-family lots are even scarcer, and just as cost-prohibitive. At these prices, it is almost impossible to build a home and make it affordable to families at 80% of median income, even with subsidy funding.

AVAILABILITY OF BUILDABLE LAND

The availability of buildable lots is a major limitation in Lincoln. Environmental factors such as wetlands, floodplains, steep slopes, and poor soils limit the amount of land that can be developed. There are a number of substandard lots in Lincoln that are considered unbuildable because they do not meet the minimum buildable lot size stipulated by the Subdivision Regulations. With regulatory flexibility, small, affordable homes could be developed on some of these lots.

Buildout analysis

A buildout analysis examines zoning and land use data to determine the maximum number of housing units a community would have if all available land is developed. Assumptions are made, taking into account set-asides for roads and other infrastructure, environmental constraints, and keeping existing zoning constant. The Town of Lincoln had a buildout analysis done through the Blackstone Valley Tourism Council in the spring of 2001. The buildout analysis reveals Lincoln has 3,441 acres of buildable land remaining, 2,481 acres (72%) of which is currently zoned residential. Given the zoning of this land, this translates to 3,975 buildable residential lots. Assuming only single-family homes are built - this translates to 3,975 additional housing units, for a total buildout of 12,680 housing units. However, 712 of the buildable lots are zoned RG-7 and RL-9, where duplex and multi-family housing are allowed with Special Use Permits. Assuming 2 units per lot for each of these lots⁴, 4,687 additional housing units could be built, for a buildout total of 13,392 units. Assuming that 10% of the 712 units were developed as affordable housing units, their development would contribute approximately 71 units towards the towns 10% goal.

⁴ Some of these lots will be developed as single-family, while others may be home to more than 2 units.

Table 11: Buildout Analysis

Zone	Buildable		Potential Units
	Acres	Buildable Lots	Per Zone
RA-40	1,475	1,598	90
RS-20	655	1,181	114-203
RS-12	175	484	
RL-9	113	405	82-179
RG-7	63	307	377-474
Total	2,481	3,975	663-946*
<i>Source: 2001 Blackstone Valley Buildout Study, Lincoln Planning Dept.</i> <i>*Total does not include 34-135 units to be located in the new mixed use zone for the Carrington Mill</i>			

COMMUNITY OPPOSITION

Community opposition can be a major barrier to affordable housing development. The term NIMBY – Not in My Back Yard – has been coined to describe community opposition to new development, especially affordable housing. Many people agree with the concept of housing affordability, but object strongly and publicly when affordable housing is proposed in their back yard. Fears range from decreased property values to increased crime and neighborhood blight. Neighbors often organize in sufficient numbers to pressure Town Councils and Boards to reject affordable housing proposals.

Community opposition to affordable housing is often rooted in misconceptions and a lack of education about affordable housing. Affordable housing can serve households earning up to 80% of median income, households earning \$50,000-\$60,000. Affordable housing is intended to serve people who live and work in the Town, not outsiders from poorer communities. Affordable housing can often blend into developments and neighborhoods and can be indistinguishable from market-rate housing. Affordable housing does not lower property values, nor bring increased crime. Accordingly, one of the goals of this plan is to develop initiatives that educate the community on these issues: who lives in affordable housing; who needs affordable housing; what affordable housing looks like; and the positive impacts affordable housing can have on a community.

CONCLUSION

Barriers and impediments can make affordable housing development more challenging. However, these barriers are not prohibitive. Relief from zoning or subdivision regulations could be offered, or flexible zoning could be adopted. Land costs can be reduced by placing properties in a land trust. Public education can overcome NIMBYism. An understanding of these obstacles makes it easier to identify suitable sites for affordable housing and facilitate its development.

AFFORDABLE HOUSING ASSETS AND RESOURCES

Successful development of appropriate affordable housing in Lincoln depends on identifying and effectively utilizing available resources, strengthening the networks between non-profits and other development organizations, and increasing and engaging public support for affordable housing projects. Lincoln possesses or has access to a number of assets and resources that can facilitate affordable housing development. Some are unique to Lincoln, while others are available to all cities and towns.

LINCOLN'S VILLAGES

Lincoln is home to several former mill villages (including Manville, Albion, Lonsdale, Quinville, Saylesville, and Fairlawn). These villages are characterized by a cluster of dense housing, including a large amount of older multi-family rental housing. Many of these older buildings are in need of rehabilitation. This housing stock provides opportunities for affordable housing development via rehabilitation. Affordable housing could be developed as part of a broader neighborhood revitalization effort. Older housing is being rehabilitated through Valley Affordable Housing's Lonsdale Village Revitalization development. Additional work could be done in Lonsdale after this project is complete, and the general concept could be applied to Lincoln's other villages.

MILL BUILDINGS

Given its industrial history, Lincoln is home to a number of mill buildings. Many of these buildings are now vacant or underutilized. Across the country, there are numerous examples of mills that have been converted via adaptive reuse into mixed-use complexes that include affordable housing. In Rhode Island, the Kaiser Mill complex in Bristol was converted into independent elderly housing, an affordable assisted-living facility, adult day care, community space, and offices. Lincoln's mill buildings provide opportunities for creative affordable housing development.

INFRASTRUCTURE

Lincoln has access to public water via Providence Water and public sewerage through the Narragansett Bay Commission. Having this infrastructure available is an asset to affordable housing development in Lincoln as it allows for higher densities and for development in areas which would not support Individual Sewage Disposal Systems.

LINCOLN HOUSING AUTHORITY

The Lincoln Housing Authority (LHA) has many assets and can be a strong partner in the Town's efforts to increase housing affordability. LHA has been active since the 1960's. LHA operates 246 units of elderly housing, 6 units of family housing, and 124 Section 8 vouchers/certificates. There are 214 people on LHA's public housing waiting list. The average wait for a family unit is over five years. For an elderly unit, the wait ranges from 2 years for Lincoln residents to 5 years for non-residents.

According to LHA, their goals for the future include:

- Develop affordable housing on land LHA owns: LHA owns two vacant pieces of land on which it would like to develop affordable family rental housing. One is in Quinville on Lower River Rd. and could accommodate 6 units. The other parcel is in Albion off of School Street, and overlooks the 4th hole at Kirkbrae Country Club. This site could accommodate 40 units. There is also sufficient land at Manville Manor to add 20-40 additional units of elderly housing to that site.

In addition, LHA has been looking into purchasing existing mill buildings for reuse as mixed-use developments, including affordable housing. There is a mill complex on Carrington Road that may hold promise for this type of venture, as well as additional mills in Saylesville and Fairlawn.

- Expand LHA's Section 8 voucher program: LHA would like to dramatically expand its Section 8 voucher program, perhaps doubling or tripling the number of vouchers it currently offers. There are some obstacles to this goal. It is difficult to find rental units in Lincoln priced low enough to qualify for Section 8. LHA has repeatedly asked HUD for a waiver to increase the rent limits, but has been denied each time. There is also limited funding available for new Section 8 vouchers.
- Use New Horizons Community Development Corporations to develop affordable housing: LHA recently received approval for the creation of New Horizons Community Development Corporation. LHA has modeled their efforts on the Cumberland Housing Authority, which created the Valley Affordable Housing Corporation, a non-profit community development corporation that develops affordable housing across the state. LHA is working with Valley as Valley develops its Lonsdale Village Revitalization project in Lincoln. The creation of New Horizons provides an excellent opportunity for LHA to participate in non-profit affordable housing development. LHA intends New Horizons to be a major provider of affordable housing in Lincoln.

COMMUNITY DEVELOPMENT CORPORATIONS

Non-profit housing developers are an important asset because they develop the majority of affordable housing in Rhode Island. Without strong non-profit developers, affordable housing simply does not get built. Non-profit housing developers most often take the form of community development corporations (CDCs). CDCs are community-based organizations that have a vested interest in the neighborhoods in which they work. They encourage resident participation and seek to strengthen the fabric of the neighborhoods. Lincoln currently is not home to any non-profit housing developers.

Valley Affordable Housing Corporation

Valley Affordable Housing Corporation (Valley) is a statewide CDC that has developed a great deal of affordable housing throughout the Blackstone Valley. Valley is currently working in Lincoln via its Lonsdale Village Revitalization development. It is rehabilitating 7 buildings on Grant Avenue, Lonsdale Main Street, Lonsdale School Street and Lonsdale Avenue to create 27 units of affordable family rental housing. Other Valley developments in the Blackstone Valley area include:

- Factory St./Main St. Cumberland: Valley developed 32 units of affordable family rental housing behind the Ann & Hope building. Twenty-two units were created by converting abandoned warehouses, and 10 units were built via new construction.
- Berkeley Village: Valley is rehabilitating 30 units of affordable family rental housing in Berkeley Village in Cumberland.

Valley is an established, successful, experienced organization located in northern Rhode Island. They should be encouraged to continue working in Lincoln, including a potential Phase 2 of its Lonsdale Village Revitalization. Valley should also be encouraged to partner with the Lincoln Housing Authority on potential developments.

Blackstone Valley Community Action Program

Blackstone Valley Community Action Program (BVCAP) has been an active affordable housing provider in Lincoln. BVCAP developed and operates Project Renew, a 34 unit Low Income Housing Tax Credit development in Manville. BVCAP has recently been focusing its development activity in Pawtucket, but would be interested in developing in Lincoln if the opportunity arose. BVCAP also offers downpayment and closing costs assistance grants to Lincoln residents, using the Town's Community Development Block Grants (CDBG) funds. The availability of this program varies from year to year; when operational, BVCAP receives approximately \$10,000 per year and assists 2 or 3 families. BVCAP also offers homebuyer education classes in Pawtucket through the Housing Network. Many Lincoln residents attend these classes, and BVCAP is considering expanding the program and holding classes in Lincoln.

Other non-profit housing developers

Other non-profits that could develop affordable housing in Lincoln include: statewide CDCs such as Omni Development Corporation and SWAP Inc. (Stop Wasting Abandoned Property); mental health agencies like Gateway Healthcare Inc.; and special population organizations like United Cerebral Palsy Rhode Island, Aids Care Ocean State, and Operation Stand Down, a homeless veterans organization.

TOWN PROGRAMS

The Town of Lincoln sponsors a Housing Assistance program within Town Hall. The Housing Assistance Director is responsible for managing Lincoln's housing programs using CDBG funds. The Town provides grants and low-interest loans for home repair and home maintenance for income eligible residents. Most grants and loans are less than \$3,000 and are used for repairs to single family homes owned by elderly residents.

In addition, the Town offers a tax abatement program for elderly homeowners. Elderly homeowners can disallow \$15,000 from their property assessment. This program is intended to help elderly residents on a fixed-income be able to afford to maintain their homes. Even if a mortgage has been completely paid, taxes and maintenance alone may be more than elderly residents can afford to spend on housing.

COMPREHENSIVE PERMITTING

Comprehensive permitting has been controversial in the Town of Lincoln. Before the moratorium on comprehensive permit applications by for-profit developers was passed by the state legislature, developers had used the comprehensive permit process to propose large developments with 100% density increases and 20% affordable housing. However, depending on the situation and how it is used, comprehensive permitting can be an asset and useful tool for a municipality. There are a number of examples of affordable housing developments throughout the State that have utilized the comprehensive permit process in a way that is beneficial to both the developer and the town.

Comprehensive permitting provides flexibility and allows a Town to negotiate with developers to reach an agreement acceptable to both parties. The Town can offer a limited density increase or other incentives, such as relief from zoning or subdivision regulations such as parking, set back requirements, and curbing, in exchange for a percentage of the development being set aside for affordable housing. The Town may designate certain areas as suitable for affordable housing developments, in a density greater than that allowed by current zoning. Even if a developer is not seeking relief, comprehensive permitting offers an expedited review process that can save a developer time and money in reduced holding costs, interest, and taxes in exchange for a percentage of affordable units being built within the project.

The Lincoln Town Council has passed an ordinance specifying procedures for applying for a comprehensive permit. This ordinance establishes a Certificate of Completeness process, which lists the items to be included in a comprehensive permit application. It allows the Town Council, Planning Board, Conservation Commission and other Town organizations to comment on the application. The ordinance also requires a land dedication or payment in-lieu-of for each market rate unit proposed under a comprehensive permit while excluding the dedication requirement for the affordable units.

Comprehensive permitting is a useful tool as long as the Town maintains control over the process. If control is ceded to an outside body, such as the State Housing Appeals Board, inappropriate development could take place. This Affordable Housing Plan ensures that the Town will maintain control over the comprehensive permit process.

FUNDING SOURCES

Subsidized grants and loans play a critical role in affordable housing development by serving as gap financing. Given market conditions such as the cost of housing/land, construction wages, materials, and the cost of complying with codes and regulations, affordable housing developments generally cannot take place without subsidy financing. Affordable housing developers sell/rent housing for below market value; the difference between the affordable price and market value must be made up by some type of subsidy.

Appendix A-3 provides a brief description of numerous State and Federal affordable housing production programs. Some provide direct grants, while others offer below-market interest rate loans or are methods for attracting private equity (investment dollars) to a project. These programs can be used for new construction or the rehabilitation of existing buildings. All target households earning less than 80% of the area median income; some are restricted to households with lower incomes (50-60% of area median income).

AFFORDABLE HOUSING PLAN

REACHING THE 10% GOAL

According to Rhode Island Housing's July 2004 calculations, 557 (6.57%) of Lincoln's 8,472 housing units are low-moderate income.⁵ As of July 2004, Lincoln needed 290 additional low-moderate units to reach its 10% goal of 847 low-moderate units. The 10% goal increases over time as additional units are added to the Town's overall housing stock. The 8,472 unit count is based on the 2000 Census. The Town of Lincoln issues approximately 100 building permits per year based on the most current and available building permit data. Therefore, when the next Census is issued in 2010, it is estimated Lincoln will have 9,472 total housing units, and its 10% goal will be 947.

The goal of this Affordable Housing Plan is to create a reasonable and realistic plan for the Town of Lincoln to achieve 10% low-moderate income housing, taking into account increases in the 10% goal number over time. The strategies and recommendations included in this Plan are the implementation pieces for achieving this schedule; they create a more supportive environment for affordable housing development and detail the number, type and location of affordable units necessary to reach the 10% goal.

The Affordable Housing Development Schedule below consists of two tables. The first illustrates how Lincoln's 10% goal will change over time. To reach the 10% goal by 2020, Lincoln will need 1,047 low-moderate income units, or 490 additional units. This plan proposes 550 affordable units to meet and surpass the 10% goal. The second table provides a model for creating 550 additional low-moderate income units, via new construction, rehabilitation and adaptive reuse. The model indicates the number and type of units to be created, based on the affordable housing needs identified above. Locations for affordable housing are discussed in the strategies section.

Connection with Housing Needs

It is essential that there be a connection between the type and amount of affordable housing proposed by this plan and the Town's affordable housing needs. The *Analysis of Housing Needs* chapter suggests Lincoln should prioritize affordable rental and homeownership housing for families, and affordable rental housing for the elderly. Accordingly, the Affordable Housing Development Schedule proposes 134 units of affordable homeownership housing for families, 144 affordable rental units for families, 180 affordable rental units for the elderly and 92 units for individuals and special needs populations. The proposed development schedule addresses Lincoln's highest priority housing needs.

⁵ As discussed earlier, low-moderate income housing is defined by the State as housing constructed or rehabilitated through a municipal, state, or federal subsidy program serving households earning less than 80% of the area median income. Subsidies can include density bonuses, waiver of fees, etc. Rhode Island Housing's calculations do not include 36 seasonal units.

Feasibility

Given limited resources, it is not possible to meet the needs of every household that experiences housing problems. This plan proposes a development schedule that is both feasible and reasonable. Consideration has been given to the availability of financial subsidies, buildable land, buildings suitable for rehabilitation, and committed developers. It is a priority of the Town to develop strong partnerships with both public and private affordable housing developers to increase the feasibility of all affordable housing projects within Town. The Town will work with developers to secure Federal and State subsidies for all new affordable housing projects. The Town will also develop and enact municipal subsidies to encourage smaller affordable housing projects such as one to three units or increase the amount of an affordable housing project's total subsidy. The *Locations* recommendations speak further to the feasibility of this plan.

Affordable Housing Development Schedule

Progress Toward the 10% Goal Over Time*

	2000 Census Total	2010	2015	2020	
Total Housing Units**	8,472	9,472	9,472	10,472	
10 % Requirement	847	947	947	1,047	
Number of Low-Mod Units (2004 existing + new proposed by plan)	557	742	925	1107	
% Low-Mod:	6.57%	7.83%	9.77%	10.57%	
If Lincoln were to meet the 10% goal in this year, the number of additional low-mod units needed would be	290	205	22	-60	
Type of Housing					Total Units
Homeownership for Families		45	45	44	134
Rental Housing for Families		48	48	48	144
Housing for the Elderly (Rental and Homeownership)		60	60	60	180
Housing for Individuals and Special Needs Populations		32	30	30	92
Total New Units:		185	183	182	550

* Assumes 100 building permits per year based on available building permit data

** Census counts of the total number of housing units are updated only once every ten years, therefore the number shown here represents the most recent Census figure (2000, 2010 or 2020 projected). This is why the 2010 and 2015 numbers are the same (both refer back to the projected Census 2010 figure, 9,472)

AFFORDABLE HOUSING GOALS

Through meetings with the town's Affordable Housing Committee, the Town of Lincoln has developed the following affordable housing goals. These goals are the basis on which the strategies and actions described later in this document were developed. The Town of Lincoln's affordable housing goals are as follows:

- 1. Create a Diversity of Housing Types that meets the current and future needs of Lincoln's low-moderate income residents, employees, and special needs populations.** While Lincoln does currently have housing for the elderly, families, single persons, and special needs populations, there is a concern that new housing is focused mainly on single-family houses most suitable for families with children. The housing gap left by this focus on single family homes will continue to increase unless Lincoln actively encourages and pursues the development of affordable housing.
- 2. Preserve and Maintain Existing Housing and Ensure the Long-Term Affordability of Lincoln's Housing Stock.** The Town, through its CDBG program, provides grants and low-interest loans for home repair and home maintenance for income eligible residents. Most grants and loans are less than \$3,000 and are used for repairs to single family homes owned by elderly residents. The Town will continue to apply for CDBG funding annually and continue these programs and look to expand them if possible. The Town will take action to ensure the long-term affordability of already existing affordable housing (i.e. Eagle and Washington Hill Apartments) in order to preserve these units as affordable in perpetuity.
- 3. Meet and Surpass the 10% Goal for Affordable Housing.** At build-out there will be a 490 unit gap between the State's affordable housing goal and the affordable housing stock currently available in Lincoln. This plan proposes 550 affordable units to meet and surpass the 10% goal.

The Town of Lincoln plans to achieve the goals described above through four comprehensive strategies:

- 1. Revise the zoning ordinance to promote affordable housing and housing that meets the needs of all Lincoln citizens.**
- 2. Identify potential locations for affordable housing development.**
- 3. Strengthen partnerships and build community support for affordable housing.**
- 4. Identify existing and new resources for affordable housing developments.**
- 5. Ensure the long term affordability of Lincoln's affordable housing stock.**

These five strategies are designed to be realistic, practical, and consistent with the Town's affordable housing goals. This plan concludes with an Action Table which serves as the implementation tool for the plan. The Action Table includes the responsible parties, cost, funding source, and timeframe for the development of affordable housing in Lincoln.

STRATEGIES

1. Revise the Zoning Ordinance to Promote Affordable Housing and Housing That Meets the Needs of all Lincoln Citizens.⁶

Issue-The majority of residential land in Lincoln is zoned RA-40 and RS-20. More dense zoning such as RG-7 and RL-9 is found only in the village centers. Duplexes are allowed by right in the RG-7 zone and by special permit in the RL-9 zone, and are prohibited in all other residential zones. Multi-family housing (3 or more units) is allowed by special permit in the RG-7 zone and is prohibited in all other zones.

Recommended Actions

Action Item 1.1: Increase density allowed by right in RG-7 and RL-9 zones: The zoning ordinance will be amended to increase the number of units allowed by right in RG-7 to three (3) units, as well as increasing the number of units allowed by right in RL-9 to two (2) units. A multi-family building having more than three (3) units on an appropriately sized parcel will be considered under the Town's special use permit process or as a comprehensive permit application. The Town will provide municipal subsidies to property owners who deed restrict the units built under this zoning change as affordable for at least 30 years. There are 32 acres of vacant land scattered through the RG-7 and RL-9 zones. Most of the vacant land is small parcels of land that range in size from 5,000 sqft to over an acre. Larger undeveloped parcels may be able to accommodate larger multifamily complexes. Increasing the units allowed by right in RG-7 and RL-9 to three units and two units respectively could add approximately 318 new housing units. **Assuming that at least 35% of these new units would be affordable, this zone change will create at least 111 new affordable housing units.**

Action Item 1.2: Mandate Inclusionary Zoning in all residential zoning districts: Inclusionary zoning has been proven nationally as an effective tool for incorporating affordable housing in new developments. A Mandatory Inclusionary Zoning Ordinance would require the provision of a minimum percentage of affordable units (20%) in all residential developments of six or more units, including subdivisions, multi-family condominium and rental developments. The town will provide a variety of municipal subsidies including but not limited to tax breaks and density bonuses as compensation for the affordable unit requirements. In cases where including affordable units is not feasible, the developers will make an off-site exaction, such as building the affordable units elsewhere, donating land to a housing land trust, or paying an in-lieu-of fee to the Town's Affordable Housing Trust Fund. There are on average between 7 and 10 subdivisions a year with greater than 6 units in Lincoln. **Conservatively, if there are 7 developments with an average of 8 units per year, this would create 56 new housing units in Lincoln, assuming that 20% of these units are affordable; this would yield approximately 11 new affordable housing units per year.**

⁶ The town of Lincoln has appropriated funding to rewrite their zoning ordinance. The planning department is committed to including the recommended actions in the rewriting of the zoning ordinance.

Action Item 1.3: Expand Range of RG-7 District: There are approximately 43 acres of land surrounding the RG-7 and RL-9 zones which will be rezoned to RG-7, a much higher density. This zone change will result in the potential for 268 additional buildable lots. At 3 units per lot, it is estimated that this zone change will result in approximately 804 new housing units in Lincoln. The Town will provide municipal subsidies such as tax breaks to property owners who elect to construct deed restricted affordable housing units. **Assuming 20% of these units are deed restricted as affordable, this zoning change will yield at least 161 new affordable units for Lincoln.**

Action Item 1.4: Revise the Accessory Family Dwelling Unit Ordinance: During the re-writing of the zoning ordinance, the accessory dwelling unit ordinance should be amended to allow Accessory Apartments as defined in the Zoning Enabling Act that can be rented to non-family members, as well as having their own cooking and sanitary facilities and separate entrances. In order to ensure affordability, the accessory units would be deed restricted as affordable units. Lincoln will provide municipal subsidies such as tax breaks to property owners who elect to construct an affordable accessory dwelling unit.

Action Item 1.5: Rezone Appropriate Parcels to Facilitate Affordable Housing Development: The Lincoln Affordable Housing Committee has identified the following parcels as appropriate for affordable housing development and increased density development. The Town will rezone these parcels during the re-writing of the zoning ordinance. The identified parcels are:

- The Bowling Alley on Higginson Ave
- The Carrington Mill
- Lower River Road in Quinville
- Manville Manor

2. Identify Locations for Affordable Housing, via Rehabilitation, Adaptive Reuse, and New Construction.

*Issue-*Affordable Housing units can be developed through the rehabilitation of existing housing, the adaptive reuse of non-residential buildings, as well as through new construction. The Town will utilize existing densities in village centers. New construction of affordable housing will be encouraged, where appropriate, in mixed-income neighborhoods at scattered locations.

The Locations Summary Chart on the following page identifies the sites the Affordable Housing Committee has recognized as appropriate locations for affordable housing development. The Action Items of this section address these locations and others that are not yet identified. A map detailing the potential locations for affordable housing in Lincoln is located in the Appendix.

Locations Summary Chart

Location	Current Zoning	Recommended Zoning	Total Units	Potential Affordable Units⁷
<i>Adaptive Reuse & Rehabilitation</i>				
Carrington Mill (Lonsdale Bleachery)	ML 0.5	New Mixed Use Zone	135	34-135
Bowling Alley on Higginson Ave.	BL 0.5	RG-7, 3 units per 7,000sf	130	33-130
St. James Church and Convent	RG-7	No Change	28	28
<i>New Construction</i>				
Scattered vacant lots in Manville, Albion, Lonsdale, Saylesville, Fairlawn	RG-7 & RL-9	RG-7 (3 units per 7,000sf), RL-9 (2 units per 9,000sf)	318	75-150 ⁸
Cobble Hill Rd. and Hunter Road (former junkyard) ⁹	RS-20	Comprehensive Permit	114	25-114
Lower River Rd. in Quinnville (Housing Authority)	RA-40	RL-9	4	4
School St. in Albion (Housing Authority) (Kirkbrae)	½ RG-7 ½ RS-12	Change entire parcel to RG-7	40	40
Manville Manor (Housing Authority)	RS-12	RG-7	40	40
Scattered through Inclusionary Zoning	All	No Change	896	179 ¹⁰
Scattered sites through Zoning Change	RL-9 & RL-20	RG-7	804	161 ¹¹
		Total Affordable Units Identified		619-981
		Total Affordable Units Required		550

⁷ Number of potential affordable units determined by Lincoln Planning Department, based on changes to zoning ordinance through re-writing process.

⁸ Assumes that at least 35% of the 318 additional units allowed by this zoning change will be subject to long term affordability restrictions.

⁹ The owner of this property has approached the Town to express their desire to develop the property as affordable housing.

¹⁰ Assumes 7 subdivisions of 8 units each per year for 16 years, with 20% of the units in each subdivision dedicated as affordable housing.

¹¹ Assumes at least 20% of the units developed as a result of the zoning change will be deed restricted as affordable units.

Recommended Actions

Action Item 2.1: Target Existing Housing in Need of Rehabilitation for Affordable Housing: The Town's Housing Element targets Manville and Lonsdale as areas in need of redevelopment. Both of these villages have a large stock of older rental housing (the Town has 2,310 rental units built before 1980). Suitable locations for rehabilitation include:

- Manville: New River Rd., Old River Rd., Main St., and smaller side streets
- Lonsdale: Grant Ave., John St., Lonsdale Ave., Lonsdale Main St., and other streets
 - Rehabilitation work is taking place in Lonsdale through Valley Affordable Housing's Lonsdale Village Revitalization development. When this project is complete, a Phase 2 could be undertaken. This rehabilitation concept could be applied to Lincoln's other villages.
- Scattered sites in Albion, Fairlawn and Saylesville

Action Item 2.2: Target Underutilized Mills, Buildings, and Parcels Identified as Appropriate for Affordable Housing to Facilitate Their Redevelopment: The Town has identified several sites which it feels are appropriate locations for affordable housing development. These sites are the: Carrington Mill (Lonsdale Bleachery), the abandoned bowling alley on Higginson Ave, and the St. James Convent. During the rewriting of the zoning ordinance the Town will create a new mixed use zone to facilitate the redevelopment of the Carrington Mill for housing needs.

- **The Carrington Mill could result in the development of 135 housing units. Assuming 25-100% of those units were affordable, it would yield 34-135 new affordable units for the Town.**
- The Bowling Alley on Higginson Ave is currently zoned BL (Business Limited). This site will be rezoned to RG-7 as the surrounding neighborhood sustains that density level. **With RG-7 zoning, this site can support the development of 130 housing units. Assuming 25-100% of those units were affordable, it would yield 33-130 new affordable units for the Town.**
- The St. James Convent is zoned RG-7. Under this zoning, the site can currently support 13 affordable units. There is room on the property for further development which could yield an additional 15 affordable units for the Town for a total of 28 affordable units at this location.

Action Item 2.3: Encourage the New Construction of Affordable Housing in Mixed-Income Neighborhoods: Rehabilitation and adaptive reuse alone will not meet Lincoln's affordable housing needs. New construction of affordable housing is also required. Densities that are appropriate considering the capacity of the site, infrastructure availability, and surrounding land uses could be modified to accommodate the new construction of affordable housing.

New construction of affordable housing should take place at:

- All new developments in the RA-40 and RS-20 over six units via Inclusionary Zoning.

- Property owned by the Lincoln Housing Authority (LHA):
 - On Lower River Road
 - Off School Street in Albion
 - Manville Manor
- 48 acres on Cobble Hill Road and Hunter Road. (Plat 19, Lot 12)
- Vacant lots in the RG-7 and RL-9 districts
- St. James Convent

At least 25% of housing developed at these locations will be affordable. At the LHA properties, all of the units will be affordable.

According to the Blackstone Valley Tourism Council's 2001 buildout analysis, which takes into account environmental constraints and infrastructure availability, Lincoln has 3,975 buildable residential lots remaining.

Action Item 2.4: Encourage the Construction of Affordable Housing that Meets the Needs of Lincolns Residents: Demographics indicate that the most pressing need in Lincoln is for affordable rental units for families, followed by housing for the elderly, affordable homeownership for families, and housing for populations with special needs. The Town has set the following targets for each of the above mentioned housing types:

Rental Units for Families	144 units
Homeownership for Families	134 units
Housing for the Elderly	180 units
Housing for Individuals and Special Needs Populations	92 units

3. Strengthen Partnerships and Build Community Support for Affordable Housing.

Issue-Without strong community leadership, the affordable housing gap in Lincoln will continue to grow. It should be the responsibility of a single organization to research the community's needs, develop affordable housing goals and objectives, and identify/implement strategies to achieve the desired results.

Recommended Actions

Action Item 3.1: Continue the Lincoln Affordable Housing Advisory Committee: The Town of Lincoln formed an Affordable Housing Advisory Committee to guide the development of this plan. This committee will continue after the plan is adopted to serve as an advocate for affordable housing in the town. The Committee will monitor the implementation of the Affordable Housing Plan, and report annually to the Town Council on the Plan's progress. The Town Council and Planning Department will be responsible for ensuring the Plan is implemented.

The Committee will be led by a nine-person Board comprised of town citizens and representatives from the fields of affordable housing development, banking, real estate, business, local community organizations (churches, charities, etc.) and Town government. This citizen Board would represent the broader community's support for affordable housing. Financial costs associated with the Committee would be minimal. The Town's Housing Specialist would provide staff support. The Town will advertise for citizens interested in serving on the Affordable Housing Advisory Committee.

The Committee's roles would include:

- Strengthen partnerships and working relationships for affordable housing: The Committee should assist in fostering and maintaining strong, supportive relationships between Town government; the Lincoln Housing Authority and its recently created community development corporation (New Horizons); non-profit developers such as Valley Affordable Housing Corporation and Blackstone Valley Community Action Program; and for-profit affordable housing developers. The Committee should help these groups share resources and information. Establishing affordable housing as a priority and addressing the recommendations included in this Plan will set the stage for partnerships and working relationships.
- Endorse appropriate affordable housing proposals: The Committee should begin a program of endorsing affordable housing proposals that meet the criteria set by the Town and this plan. An endorsement from the Committee would show community support for affordable housing and could expedite the approval process. Endorsements would be a source of prestige, and developers would actively seek them out. This would encourage affordable housing proposals that are in line with the Town's objectives and priorities.
- Raise awareness of Lincoln's affordable housing needs through public education: An educational program should be developed that more accurately describes the population in need of affordable housing; namely working families, children of current residents, and the elderly. This would help dispel the negative connotations commonly associated with affordable housing and combat NIMBYism (Not in My Back Yard). The Town could provide residents with information about affordable homeownership and rental opportunities and could encourage public discussion of these issues with Town officials and local affordable housing developers.
- Identify locations for future affordable housing development: A major role of the Committee will be to identify sites for affordable housing on an ongoing basis, through advertising and/or soliciting proposals. This provides a mechanism for replenishing the list of locations included in the plan, and will make the plan a dynamic document. The Planning Department will evaluate the locations recommended by the Committee to determine their suitability for affordable housing development.

Action Item 3.2: Encourage and Assist the Lincoln Housing Authority to Become a More Active Affordable Housing Provider: The Lincoln Housing Authority (LHA) can play a larger role in providing affordable housing in Lincoln. The Town can assist LHA in the following ways:

- Support LHA's non-profit (New Horizons) in its efforts to develop affordable housing: LHA has formed New Horizons, a non-profit affordable housing development corporation. This corporation will be a major asset in the Town's efforts to address its housing needs. It will be the only non-profit developer based in Lincoln. Its knowledge of and relationships in Lincoln will help it identify and develop the most appropriate sites for affordable housing. As a non-profit organization, the corporation will have access to a wide variety of State and Federal funding sources that the Housing Authority cannot utilize. The Town should support the affordable housing developments proposed by New Horizons.
- Assist LHA in attracting retail and commercial development to the neighborhood around Manville Manor: Manville Manor residents have commented that there is a lack of retail and service businesses in the surrounding area. Many residents do not have access to a car, and public transportation is limited, making it difficult for these people to reach basic services. The Town will work with LHA to improve the area around Manville Manor by encouraging a small retail development and lobbying for increased public transportation to that area.
- Encourage LHA to develop affordable housing on land it owns: The Lincoln Housing Authority could develop affordable rental housing at several sites, as described in the locations section. The Town's support and encouragement will be critical to having these sites developed. These sites include:
 - Lower River Road in Quinnville
 - School Street in Albion
 - Manville Manor

Action Item 3.3: Work with New Horizons and Other Non-profit Developers to Develop Affordable Housing in Lincoln: The Town should work with New Horizons and other non-profit developers and encourage them to develop affordable housing in Lincoln. In addition to New Horizons, potential developers include Valley Affordable Housing, and non-profit mental health agencies and special population organizations. The Town can assist non-profit developers by identifying sites suitable for affordable housing, providing funding through the Affordable Housing Trust Fund, and providing support at site plan review hearings.

4. Identify Existing and New Resources for Affordable Housing Development.

Issue-Now and in the future Lincoln must identify the resources available to facilitate the development of affordable housing.

Recommended Actions

Action Item 4.1: Create an Affordable Housing Trust Fund: A local Affordable Housing Trust Fund would receive and manage funds for affordable housing development and preservation in Lincoln. There are currently no local funding resources for affordable housing development in Lincoln. An Affordable Housing Trust Fund would address this need.

Potential sources to contribute to an Affordable Housing Trust Fund include:

- The Town's portion of the State Real Estate Conveyance Tax
- HOME funds
- Off-site exactions/in-lieu-of fees from Inclusionary Zoning
- Private contributions and charitable donations
- Private Foundations
- Land donations
- Developer impact fees (possibly from commercial development)

Potential Trust Funds could be used for the following:

- Subsidies for individual family homeownership units in new developments via inclusionary zoning or at infill sites
- Closing costs and down payment assistance for eligible first-time homebuyers
- Gap financing for small rental and homeownership developments (Large developments will apply directly to Rhode Island Housing for gap financing)
- Feasibility studies and predevelopment costs born by affordable housing developers
- Competitive grants to non-profit organizations for program development and community outreach

Lincoln will apply to Rhode Island Housing for start-up money to capitalize the Affordable Housing Trust Fund.

Action Item 4.2: Maximize Existing Federal and State Funding Sources for Affordable Housing Development: For- and non-profit developers should make the best possible use of the following affordable housing development resources:

Source	Program Name	Source	Program Name	Source	Program Name
HUD	Section 202 (Elderly)	RIH	Low-Interest Mortgages	FHLB	Affordable Housing Program
	Section 811 (Special Needs)		Home Repair Loans	Fed	Low Income Housing Tax Credits
	Continuum of Care (Homeless)		Next Step (transitional housing)	Fed	Federal Historic Preservation Tax Credits
	Emergency Shelter Grants (Homeless)		Pre-development loans	State	Rhode Island State Historic Preservation Residential Tax Credit
	Housing Opportunities for Persons with AIDS (HOPWA)		Preservation (Section 8 apartments)	State	Neighborhood Opportunities Program (NOP)
	HOME Investment Partnerships Program (HOME)		Rental Housing Production Program		Family Housing Program
					Supportive Housing Program
					Building Better Communities
	Community Development Block Grant (CDBG)		Targeted Loans		
	Section 108 (Loan Guarantees)		Technical Assistance		
			Thresholds (Mental Illness)		

RIH = Rhode Island Housing, FHLB = Federal Home Loan Bank (Boston)
HUD = U.S. Dept. of Housing and Urban Development

These programs are described in further detail in the Appendix.

5. **Ensure the Long Term Affordability of Lincoln's Affordable Housing Stock.**

Issue-Without oversight the potential exists for affordable housing to be lost over the passage of time.

Recommended Actions

Action Item 4.3: Create a Community Housing Land Trust to Ensure Long-term Affordability: A land trust ensures long-term homeownership affordability by removing land costs from the housing equation. A land trust obtains and holds land. The land could already have a house on it, or a new home could be built. The house is then sold to a low-income family, but the land trust retains ownership of the land, leasing it for a nominal fee to the homeowner. Years later, when the house is resold, the land trust retains possession of the land, and deed restrictions ensure that the home is sold at an affordable price to another low-income family. The resale price would be determined by a formula that limits sellers to the price they originally paid plus a certain percentage of the appreciated value of the home, as determined by an appraisal. The combination of the land trust owning the land and the capped resale price ensures the long-term affordability of these homes.

Land trusts are most often created and administered by non-profit organizations; however, the Town could create its own land trust subsidiary. The Town will encourage New Horizons to create a Community Housing Land Trust for affordable housing.

Action Item 5.2: Create a monitoring program for deed restricted affordable rental units: The Town will create a program in which the Lincoln Housing Authority will annually monitor the rental of deed restricted affordable units to appropriate income qualified families. This program will ensure that housing units with long term affordability deed restrictions on them are not lost over time.

Action Item 5.3: Explore Other Affordability Mechanisms where appropriate: The Town of Lincoln recognizes that other mechanisms may exist besides the Land Trust program and deed restrictions to create permanently affordable housing. For this reason, the Town will carefully explore other options that may benefit the Lincoln affordable housing stock.

ACTION TABLE

The following Action Table serves as an implementation tool for the plan's recommendations. The Action Table outlines the responsible party, cost, funding source, and timeframe for each recommendation.

The following acronyms are used in the Action Table:

TC:	Town Council
PB:	Planning Board
PD:	Planning Department
LHA:	Lincoln Housing Authority
AC:	Lincoln Affordable Housing Advisory Committee
NP:	Non-Profit Developer/ Provider
FP:	For-Profit Developer
HUD:	U.S. Department of Housing and Urban Development
HRC:	Housing Resources Commission
RIH:	Rhode Island Housing
LEAD:	RI Housing Lead grants
NOP:	Neighborhood Opportunities Program
BBC:	Building Better Communities grant program
CDBG:	Community Development Block Grant
LIHTC:	Low Income Housing Tax Credits
TF:	Affordable Housing Land Trust Fund

STRATEGIES	Responsible Party	Cost	Source	Time Frame
Revise the Zoning Ordinance to Promote Affordable Housing and Housing that Meets the Needs of all Lincoln Citizens				
1.1 Increase Density Allowed By-Right in RG-7 and RL-9 Zones	PD,PB, TC	\$25,000	FY 04/05 Town Budget	Year 1
1.2 Mandate Inclusionary Zoning	PD,PB, TC	Included in above	FY 04/05 Town Budget	Year 1
1.3 Expand Range of RG-7 District.	PD, PB, TC	Included in above	FY 04/05 Town Budget	Year 1
1.4 Revise the Accessory Family Dwelling Unit Ordinance	PD,PB, TC	Included in above	FY 04/05 Town Budget	Year 1
1.5 Rezone Appropriate Parcels to Facilitate Affordable Housing Development.	PD,PB, TC	Included in above	FY 04/05 Town Budget	Year 1
Identify Locations for Affordable Housing via Rehabilitation, Adaptive Reuse, and New Construction				
2.1 Target Existing Housing in Need of Rehabilitation for Affordable Housing	PD, AC, FP, NP	No Direct Costs	N/A	Ongoing
2.2 Target Underutilized Buildings for Adaptive Reuse into Affordable Housing	PD, AC, FP, NP	No Direct Costs	N/A	Ongoing
2.3 Encourage the New Construction of Affordable Housing in Mixed-Income Neighborhoods	PD, AC, FP, NP	No Direct Costs	N/A	Ongoing
2.4 Encourage the Construction of Affordable Housing that Meets the Needs of Lincoln's Residents.	FP, NP	Subsidy of \$50,000- \$100,000 per unit	HOME, RIH, TF, CDBG	Ongoing
Strengthen Partnerships and Build Community Support for Affordable Housing Development				
3.1 Continue the Lincoln Affordable Housing Committee.	TC	No Direct Costs	N/A	Ongoing
3.2 Encourage and Assist the Lincoln Housing Authority to Become a More Active Affordable Housing Provider	LHA	To be determined	HUD	Ongoing
3.3 Work with State and Local CDC's and other Non-Profit Developers to Develop Affordable Housing in Lincoln	NP	Subsidy of \$50,000- \$100,000 per unit	HUD, RIH, NOP CDBG, LIHTC	Ongoing

STRATEGIES	Responsible Party	Cost	Source	Time Frame
Identify Existing and New Resources for Affordable Housing Development.				
4.1 Create an Affordable Housing Trust Fund	TC	\$300,000+	HOME, CDBG, Other	Year 1
4.2 Maximize Existing Federal and State Funding Resources for Affordable Housing Development	PD, TC, LHA	\$50,000-\$100,000 per unit	HUD 202, HUD 811, ESG, HOPWA, HOME, CDBG, Sec. 108, etc.	Ongoing
Ensure the Long Term Affordability of Lincoln's Affordable Housing Stock.				
5.1 Create a Community Housing Land Trust to Ensure Long Term Affordability.	TC, PB	TBD	RIH, Trust Funds, Grants	Year 1
5.2 Create a Monitoring Program for Deed Restricted Affordable Rental Units.	PD, LHA	No Direct Costs	N/A	Year 1
5.3 Explore Other Affordability Mechanisms Where Appropriate.	PD, PB, AHC	No Direct Costs	N/A	Ongoing

Table 12, below, depicts the number of units projected for each Action Item strategy presented in the above section.

Table 12: Number of LMI Units to be Produced by Action Item Strategy and Time

Location	Development Strategy	Potential Affordable Units ¹²	Year 0 to 5	Year 6 to 10	Year 11 to 15
Adaptive Reuse & Rehabilitation					
Carrington Mill (Lonsdale Bleachery)	New Mixed Use Zone	34-135 units	0	10	24
Bowling Alley on Higginson Avenue	Rezone to RG-7	33-130 units	10	10	23
St. James Church and Convent	Reuse	28 units	14	14	0
New Construction					
Scattered vacant lots in Manville, Albion, Lonsdale, Saylesville, Fairlawn	Rezone to RG-7 & RL-9	75-150 units ¹³	48	19	20
Cobble Hill Rd and Hunter Road (former junkyard) ¹⁴	Comprehensive Permit	25-114 units	10	10	15
Lower River Rd in Quinnville (Housing Authority)	Rezone to RL-9	4 units	4	0	0
School St. in Albion (Housing Authority) (Kirkbrae)	Change entire parcel to RG-7	40 units	0	20	20
Manville Manor (Housing Authority)	Rezone to RG-7	40 units	0	20	20
Scattered through Inclusionary Zoning	New Zoning Ordinance	179 units ¹⁵	40	40	40
Scattered sites through Zoning Change	Rezone to RG-7	161 units ¹⁶	59	40	20
Total Low-Mod Units Added					
Running Total Low-Mod Units					
Total Anticipated # of Housing Units¹⁷					
10% of Low-Mod Requirement					
Percent of Low-Mod Housing Units Achieved					

¹² Number of potential affordable units determined by Lincoln Planning Department, based on changes to zoning ordinance through re-writing process.

¹³ Assumes that at least 35% of the 318 additional units allowed by this zoning change will be subject to long term affordability restrictions.

¹⁴ The owner of this property has approached the Town to express their desire to develop the property as affordable housing.

¹⁵ Assumes 7 subdivisions of 8 units each per year for 16 years, with 20% of the units in each subdivision dedicated as affordable housing.

¹⁶ Assumes at least 20% of the units developed as a result of the zoning change will be deed restricted as affordable units.

¹⁷ Assumes 100 Building permits per year based on available building permit data

Table 13 below, describes the household and tenure types to be served by each Action Item strategy. The goals depicted for each type correspond to the proportional CHAS need as presented and discussed on page 24 of this plan.

Table 13: Number of LMI units to be Produced by Household and Tenure Type

Development Strategy	Totals by Action Item Strategy	Elderly Rental	Elderly HO*	Family Rental	Family HO*	Special Needs Rental	Special Needs HO*
Carrington Mill (Lonsdale Bleachery)	34		10	10	14		
Bowling Alley on Higginson Avenue	43	10	10	10	13		
St. James Church and Convent	28					28	
Scattered Vacant Lots	87	10	10	20	30	10	7
Cobble Hill Road and Hunter Road	35			8	27		
Lower River Road in Quinville	4			4			
School Street Albion	40	30				10	
Manville Manor	40	30				10	
Scattered Sites - Inclusionary Zoning	120	10	30	50	30		
Scattered Sites - Zoning Change	119	10	20	42	20	17	10
Total Low-Mod Units Added	550						
Totals by HH** and Tenure Type							
Totals by HH** Type							
Future Need Goal By CHAS data							
*HO = homeownership							
**HH = household							

APPENDIX

Table A-1: Population and Household Data

	Lincoln			Providence County			State		
	1990	2000	% ch	1990	2000	% ch	1990	2000	% ch
Population	18,045	20,898	15.8%	596,270	621,602	4.2%	1,003,464	1,048,319	4.5%
Households	7,038	8,243	17.1%	225,499	239,926	6.4%	377,080	408,412	8.3%
Family		5,775	(70.1%)		152,823	(63.7%)		265,398	(65.0%)
Non-Family		2,468	(29.9%)		87,113	(36.3%)		143,026	(35.0%)
Elderly (65+)		2,420	(29.4%)		63,948	(26.7%)		107,335	(26.3%)
Avg. Household Size	2.54	2.51	-1.2%	2.53	2.48	-2.0%	2.55	2.47	-3.1%

Source: U.S. Census Bureau

Table A-2: Income Data

	Lincoln			Providence County			State		
	1990	2000	% ch	1990	2000	% ch	1990	2000	% ch
Median Household Income	\$37,082	\$47,815	28.9%	\$29,580	\$36,950	24.9%	\$32,181	\$42,090	30.8%
Median Owner Household Income		\$65,544			\$53,439			\$56,559	
Median Renter Household Income		\$27,714			\$22,114			\$24,361	

Source: U.S. Census Bureau, Census 1990, 2000

Table A-3: Potential Funding Sources for Affordable Housing Development

U.S. Department of Housing & Urban Development (HUD)

HUD funds and administers a number of programs aimed at increasing and preserving the supply of affordable housing for diverse populations.

- **Section 811 Supportive Housing for Persons with Disabilities:** The Section 811 program provides opportunities for very low-income adults with disabilities and their families to live independently and receive supportive services. Section 811 tenants pay 30% of their incomes for rent.
- **Section 202 Supportive Housing for the Elderly:** The Section 202 program provides funding to enable very low-income elderly persons to live independently by increasing affordable rental housing with associated supportive services. Section 202 tenants pay 30% of their incomes for rent.
- **Continuum of Care:** HUD funds a number of programs under the *Continuum of Care*, a HUD system that recognizes that homeless people have different needs. *Continuum of Care* programs address the changing needs of homeless persons—from emergency shelter to transitional housing to permanent housing.
- **Housing Opportunities for Persons with AIDS (HOPWA):** The HOPWA program provides funding to develop and subsidize affordable housing for low-income persons and their families living with and affected by HIV/AIDS.
- **Federal Housing Administration (FHA) Homeownership Programs:** This FHA program supports homeownership by administering mortgage insurance programs to financial institutions issuing mortgages to moderately priced homes. FHA programs also include opportunities for people to live in the communities where they work, and opportunities for non-profits and local governments to purchase homes at discounted rates.
- **Fair Housing Assistance Program (FHAP):** This program supports State and local housing authorities in supporting fair housing through the enforcement of fair housing laws and ordinances.

Rhode Island Housing and Mortgage Finance Corporation

RIH provides financial and program support to create affordable housing for low- and moderate-income Rhode Islanders. The agency offers more than 20 homeownership and rental housing programs, which generally have purchase price and income eligibility restrictions. Some of these programs are outlined below:

- **Home Repair Loans:** Low-interest loans of up to \$15,000 for owner-occupied, one-to four-unit homes.
- **Zero Down:** No down payment financing that combines low-interest mortgages with federal loan guarantees.
- **HOME:** Grants and low-interest loans provided by HUD and administered by RIH to encourage the construction or rehabilitation of affordable housing.
- **Next Step:** Nonprofit social service agencies may apply for deferred-payment loans for the development of transitional housing for families and individuals in crisis. The maximum loan is \$20,000.

- **Pre-development Loan:** Short-term loans to qualified nonprofit developers to cover pre-closing costs incurred in determining development feasibility and obtaining site control.
- **Preservation:** RIH finances the purchase of or re-finance of existing Section 8 housing in exchange for extending the affordability restrictions beyond the term of the original FHAP contract. This program can also give Section 8 owners access to a project's residual reserves.
- **Rental Housing Production Program:** This is RIH's primary program for financing the construction and rehabilitation of affordable rental units. Proposed projects must be at least 12 units, and the units must be affordable to households earning no more than 60% of HUD's median family income.
- **Targeted Loans:** Deferred-payment loans to encourage construction and rehabilitation of affordable rental housing. This program is intended to serve as gap financing to ensure long-term affordability in the absence of other subsidies. Generally, Targeted Loans are available only when used with RIH first mortgage financing.
- **Technical Assistance:** RIH provides "how to" help and short-term loans for individuals, municipalities and nonprofit groups to strengthen their capacity and encourage the production and preservation of affordable housing.
- **Thresholds:** RIH provides grants for the development of housing that integrates persons with long-term mental illness into the community. Thresholds funds generally are used to supplement development budgets. In exchange, one or more units in a project are reserved for residents who are referred and assisted by mental health sponsors.
- **First Homes:** RIH offers income-qualified first-time homebuyers low-interest mortgages, and down-payment and closing cost assistance.

State and Federal Tax Credits

The ***Low Income Housing Tax Credit (LIHTC) Program*** was created by the Tax Reform Act of 1986 as an alternate method of funding housing for low- and moderate-income households, and has been in operation since 1987. These tax credits are used to leverage private capital into new construction or acquisition and rehabilitation of affordable housing. The tax credits are determined by the development costs and are used by the owner. Most states look more favorably on projects serving a higher percentage of income-eligible households. Rhode Island Housing allocates these tax credits to qualified developers of affordable housing, who then sell them to investors, generating equity for the project.

The ***Federal Historic Preservation Tax Credit Program*** provides federal income-tax incentives for the rehabilitation of historic income-producing properties. Under the provisions of the Tax Reform Act of 1986, a 20% tax credit is available for the substantial rehabilitation of commercial, agricultural, industrial, or rental residential buildings that are certified as historic. The credit may be subtracted directly from federal income taxes owed by the owner. The Historic Preservation Tax Credit Program benefits the owner, the occupants, and the community by encouraging protection of landmarks through the promotion, recognition, and designation of historic structures; increasing the value of the rehabilitated property and returning underutilized structures to the tax rolls; and upgrading

downtowns and neighborhoods and often increasing the amount of available housing within the community.

The ***Rhode Island State Historic Preservation Residential Tax Credit*** was created to encourage the maintenance and rehabilitation of Rhode Island's historic homes by providing an income tax credit to property owners who undertake preservation related work to their historic homes. This means maintenance work from routine painting to complex reconstruction work, such as rebuilding chimneys and foundations, are both eligible for the tax credit. All interior work, new construction, additions and landscaping are not eligible for this tax credit. To receive a tax credit, owners must spend a minimum of \$2000 on the project, and the building must either be listed on or considered eligible for the National Register of Historic Places.

Community Development Block Grant (CDBG) Funds

CDBG Funds are given to communities who meet criteria based on the income of people residing in specific geographic areas. The primary objective of CDBG Funds is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income

Section 108

Section 108 is a loan provision of the CDBG program, providing communities with financing for economic development, housing rehabilitation, public facilities, and large-scale development projects. Up to five times the latest approved CDBG amount may be applied for under Section 108, minus any outstanding Section 108 commitments and/or principal balances on Section 108 loans for which the State has pledged its CDBG Funds as security. The maximum loan repayment period is 20 years.

Neighborhood Opportunities Program

The Neighborhood Opportunities Program (NOP) is administered by The Rhode Island Housing Resources Commission, and the major goal of this program is to "increase the supply of decent, safe, and affordable rental housing for very low-income families and individuals and to revitalize local neighborhoods." NOP has three sub-programs. Family Housing Program provides funding for rental housing for families working at or near minimum wage. Permanent Supportive Housing Program provides funding for rental housing for persons with disabilities requiring ongoing supportive services, and is intended to prevent homelessness. Building Better Communities supports revitalization efforts throughout the State, and can be used to rehabilitate buildings or provide homeownership housing for families earning up to 120% of the area median income.

Federal Home Loan Bank

The Federal Home Loan Bank of Boston provides low-cost funding, and other credit programs to enhance the financial strength of local lenders, providing them with adequate liquidity at competitive prices so that they can meet the housing finance and credit needs of their communities. The Federal Home Loan Bank advances funds at lower rates than available in the commercial market. Each year since 1989, The Federal Home Loan Bank has contributed 10% of its income to the Affordable Housing Program (AHP). This program

subsidizes long-term financing for rental and homeownership housing for very low-, low- and moderate-income families.

Bond Funds

General Obligation Bonds are issued by the local municipality and are paid for by taxpayers. They can be used for physical improvements within municipalities.

Revenue Bonds provide public capital, and are paid for only by the users. There are a number of creative mechanisms for issuing Revenue Bonds.

Rhode Island Economic Development Corporation

The Rhode Island Economic Development Corporation (RIEDC) provides tax incentives and loans for economic development efforts throughout the State.

Foundations

Foundations such as the Champlin Foundation, the Rhode Island Foundation, Annie Casey, and United Way provide funding in the form of grants and loans to specific housing development projects.

Environmental Protection Agency

The Environmental Protection Agency (EPA) provides funding for clean up of contaminated air, soil and water. EPA funding may be available to clean-up proposed affordable housing development sites with contamination issues.

Map 1: Potential Affordable Housing Locations

